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**PRELIMINARY DRAFT**  
**No. 3377**

**PREPARED BY**  
**LEGISLATIVE SERVICES AGENCY**  
**2004 GENERAL ASSEMBLY**

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**DIGEST**

**Citations Affected:** IC 12-7-2-123.4; IC 12-17.2.

**Synopsis:** Standard for child care and development fund provider eligibility. Requires child care providers to be licensed after June 30, 2006, to be eligible for child care and development fund (CCDF) participation. Requires the division of family and children to adopt rules to accommodate the licensure requirement.

**Effective:** July 1, 2004.



A BILL FOR AN ACT to amend the Indiana Code concerning human services.

*Be it enacted by the General Assembly of the State of Indiana:*

SECTION 1. IC 12-7-2-123.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: **Sec. 123.4. "License exempt home", for purposes of IC 12-17.2, means a residential structure in which at least one (1) child but not more than five (5) children (not including the children for whom the provider is a parent, stepparent, guardian, or custodian) at any time receive child care from a provider:**

- (1) while unattended by a parent, legal guardian, or custodian;**
- (2) for regular compensation; and**
- (3) for more than four (4) hours but less than twenty-four (24) hours in each of ten (10) consecutive days per year, excluding intervening Saturdays, Sundays, and holidays.**

SECTION 2. IC 12-17.2-2-1.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: **Sec. 1.1. (a) Not later than January 1, 2005, the division shall adopt rules under IC 4-22-2 to provide for licensure of:**

- (1) a license exempt home as a child care home;**
- (2) a child care ministry as a child care home or child care center, based on the location of the child care ministry; and**
- (3) a school age child care program described in section 8(10) of this chapter as a child care center.**

**(b) A license exempt home, a child care ministry, and a school age child care program described in section 8(10) of this chapter may apply for licensure described in subsection (a) according to the rules adopted under subsection (a).**

**(c) If a license is issued to an applicant under subsection (b), the applicant shall comply with state laws and rules applicable to the license.**



(d) This section does not require a license exempt home, a child care ministry, or a school age child care program described in section 8(10) of this chapter to apply for or obtain a license under this article.

(e) For purposes of licensure described in this section, if a school age child care program that is:

(1) described in IC 12-17.2-2-8(10); and

(2) located in a school building;

is determined by another state regulatory authority to be in compliance with a licensure requirement that applies under this section, the school age child care program is considered to be in compliance with the licensure requirement that applies under this section.

SECTION 3. IC 12-17.2-3.5-4, AS AMENDED BY P.L.18-2003, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 4. A provider who:

(1) has been convicted of a:

(A) felony;

(B) misdemeanor related to the health or safety of a child;

(C) misdemeanor for operating a child care center without a license under IC 12-17.2-4-35; or

(D) misdemeanor for operating a child care home without a license under IC 12-17.2-5-35;

(2) employs or otherwise allows an individual who has been convicted of a crime specified under subdivision (1) to:

(A) serve as a caregiver to a child in the provider's care; or

(B) reside with the provider, if the provider operates a child care program in the provider's home; or

(3) fails to meet the requirements set forth in sections 5 through 12.1 of this chapter; or

**(4) after June 30, 2006, is not licensed according to the state laws and rules governing licensure of the facility in which the provider operates a child care program;**

is ineligible to receive a voucher payment.

SECTION 4. IC 12-17.2-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 1. (a) A person may not operate a child care center without a license issued under this article.

(b) The state or a political subdivision of the state may not operate a child care center without a license issued under this article.

(c) A person may not operate a child care center where:

(1) the number of children maintained on the premises at any one

(1) time is greater than the number authorized by the license; and

(2) the children are maintained in a building or place not designated by the license.

**(d) A:**

**(1) child care ministry that is located in a nonresidential**



1 structure; and

2 (2) school age child care program described in  
3 IC 12-17.2-2-8(10);

4 may apply for a license under this chapter as provided under  
5 IC 12-17.2-2-1.1.

6 SECTION 5. IC 12-17.2-5-1 IS AMENDED TO READ AS  
7 FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 1. (a) A person may not  
8 operate a child care home without a license issued under this article.

9 (b) The state or a political subdivision of the state may not operate  
10 a child care home without a license issued under this article.

11 (c) A person may not operate a child care home if:

12 (1) the number of children maintained on the premises at any one

13 (1) time is greater than the number authorized by the license; and

14 (2) the children are maintained in a building or place not  
15 designated by the license.

16 (d) A:

17 (1) license exempt home; and

18 (2) child care ministry that is located in a residential  
19 structure;

20 may apply for a license under this chapter as provided under  
21 IC 12-17.2-2-1.1.

